

26-Jun-2020

Honorable Aiyaz Sayed-Khaiyum
Attorney-General and Minister for Economy
PO Box 2212
Government Buildings
Suva
Republic of Fiji

***Republic of Fiji: Loan Number 8482-FJ
Transport Infrastructure Investment Project
Amendment to the Loan Agreement***

Dear Minister:

We refer to the Loan Agreement between the Republic of Fiji (“Borrower”) and the International Bank for Reconstruction and Development (“Bank”) for the Transport Infrastructure Investment Project (“Project”), dated April 14, 2016, as amended (“Loan Agreement”). We also refer to the Borrower’s letter dated May 28, 2020, requesting the Bank to make certain amendments to the Loan Agreement. All capitalized terms used in this letter (“Amendment Letter”) have the same meanings assigned to them in the Loan Agreement.

We are pleased to inform you that the Bank concurs with your request, and: (i) proposes to amend the Loan Agreement by way of this Amendment Letter; and (ii) agrees to revise the results framework for the Project, all as set out below:

I. Amendments to the Loan Agreement

1. Section III of Schedule II to the Loan Agreement is deleted in its entirety, and replaced with the following:

“Section III. Procurement

- A.** The Borrower shall ensure that all goods, works, non-consulting services and consultants' services required for the Project and to be financed out of the proceeds of the Loan are procured in compliance with the Co-financier’s Procurement Regulations, subject to the provisions of paragraphs B and C of this Section III.
- B. Goods and Works and Non-consulting Services.** Without limitation to the provision mentioned in paragraph 1 above, all goods, works and non-consulting services required for the Project and to be financed out of the proceeds of the Loan shall be procured by the Borrower: (a) in accordance with the provisions set forth in paragraphs 1.8 and 1.10 (c) of the Procurement Guidelines and (b) otherwise also in accordance with the Co-financier’s Procurement Regulations.
- C. Consultants’ Services.** Without limitation to the provision mentioned in paragraph 1 above, all consultants’ services required for the Project and to be

financed out of the proceeds of the Loan shall be procured by the Borrower: (a) in accordance with the provisions set forth in paragraphs 1.11 and 1.13(e) of the Consultant Guidelines; and (b) otherwise also in accordance with the Co-financier's Procurement Regulations.

D. Review by the Co-financier of Procurement Decisions

The Procurement Plan shall set forth those contracts which shall be subject to the Co-financier's Prior Review. All other contracts shall be subject to Post Review by the Co-financier.

E. Misprocurement

The Bank shall declare Misprocurement if the Co-financier declares Misprocurement in accordance with the Co-financier's Procurement Regulations. "Misprocurement" means, for purposes of this Loan Agreement and the General Conditions, that the procurement by the Borrower of any contract to be financed out of the proceeds of the Loan is inconsistent with the Co-financier's Procurement Regulations."

2. Section IV.B.2. of Schedule 2 to the Loan Agreement is deleted in its entirety and replaced by the following:

"2. The Closing Date is June 30, 2023."

3. The definition in paragraph 7 ("Co-financier's Procurement Guidelines") of Section I of the Appendix to the Loan Agreement is amended to read as follows:

"7. "Co-financier's Procurement Regulations" means the Asian Development Bank Procurement Framework, comprised of the "ADB Procurement Policy - Goods, Works, Nonconsulting and Consulting Services" dated October 2017 and the "ADB Procurement Regulations for ADB Borrowers - Goods, Works, Nonconsulting and Consulting Services" dated October 2017."

4. The definition in paragraph 8 ("Co-financier's Consultant's Guidelines") of Section I of the Appendix to the Loan Agreement is deleted in its entirety, and all subsequent paragraphs are renumbered to restore ascending numeric order.

II. Revisions to the Results Framework

1. The results framework for the Project is revised as set forth in Attachment II to this Amendment Letter.

All the terms of the Loan Agreement not hereby amended shall remain in full force and effect.

Please confirm the Borrower's agreement to the amendments set out above by countersigning, dating and returning to us one original of this Amendment Letter. Upon receipt by the Bank of a duly countersigned original of this Amendment Letter, the amendments herein shall become effective as of the date of the countersignature.

Sincerely,



Michel Kerf
Country Director
Papua New Guinea & Pacific Islands
East Asia and Pacific Region

AGREED:

REPUBLIC OF FIJI



By _____
Authorized Representative

Name: Honorable Aiyaz Sayed-Khaiyum

Title: Attorney-General and Minister for Economy

Date: 28-Jun-2020

ATTACHMENT 1

Results Framework for the Fiji Transport Infrastructure Investment Project

Project Development Objective Indicators by Objectives/ Outcomes

Indicator Name	PBC	Baseline	Intermediate Targets					End Target
			1	2	3	4	5	
PDO Indicator 1 (Action: This Objective has been Revised)								
Length of FRA roads constructed to revised standards for resilience and safety. (Kilometers)		0.00	119.00	120.00	230.00	300.00	300.00	300.00
Action: This indicator has been Revised	Rationale: <i>This change reflects the increased focus of GoF on road works.</i>							
PDO Indicator 2 (Action: This Objective has been Revised)								
Length of roads with minimum 3-Star rating for		25.00	25.00	25.00	50.00	100.00	100.00	100.00

Indicator Name	PBC	Baseline	Intermediate Targets					End Target
			1	2	3	4	5	
vehicle occupants based on iRAP assessments. (Kilometers)								
Action: This indicator has been Revised	Rationale: <i>This change reflects the increased focus of GoF on road works.</i>							
PDO Indicator 3 (Action: This Objective has been Revised)								
Population at a reduced risk of bridge failure. (Number)		0.00	0.00	55,000.00	110,000.00	165,000.00	250,000.00	250,000.00
Action: This indicator has been Marked for Deletion	Rationale: <i>Project not building bridges anymore. Instead, population would benefit from roads with revised standards.</i>							
Population having access to resilient and safe roads		0.00	0.00	450,000.00	500,000.00	600,000.00	600,000.00	600,000.00

Indicator Name	PBC	Baseline	Intermediate Targets					End Target
			1	2	3	4	5	
based on revised standards (Number)								
Action: This indicator is New	<p>Rationale: Preparation of detailed studies for bridges to help launch the relevant works with other financing..</p>							
PDO Indicator 4 (Action: This Objective has been Revised)								
Number of rural jetties/wharves requiring high priority attention. (Number)		35.00	35.00	33.00	32.00	30.00	29.00	29.00
Action: This indicator has been Marked for Deletion	<p>Rationale: No more bridges construction / rehabilitation to be financed by the project.</p>							

Indicator Name	PBC	Baseline	Intermediate Targets					End Target
			1	2	3	4	5	
Number of Detailed Designs completed for jetties/ wharves and ready to be procured (Number)		0.00	0.00	0.00	0.00	3.00	3.00	3.00
Action: This indicator is New	<p>Rationale: No more construction of rural jetties/ wharves but preparation of relevant studies</p>							

Intermediate Results Indicators by Components

Indicator Name	PBC	Baseline	Intermediate Targets					End Target
			1	2	3	4	5	
Intermediate Indicator 1 (Action: This Component has been Revised)								

Indicator Name	PBC	Baseline	Intermediate Targets					End Target
			1	2	3	4	5	
Roads rehabilitated, Rural (Kilometers)		0.00	109.00	150.00	170.00	250.00	250.00	250.00
Action: This indicator has been Revised	Rationale: Increase in end target subsequent to Government's priority assigned to roads constructions.							
Intermediate Indicator 2 (Action: This Component has been Revised)								
Bridges tendered. (Number)		0.00	10.00	20.00	30.00	45.00	45.00	45.00
Action: This indicator has been Marked for Deletion	Rationale: No more financing of bridges rehabilitation/ construction uner the project.							
Bridges redesigned (Number)		0.00	0.00	0.00	20.00	40.00	40.00	40.00
Action: This indicator is New	Rationale: Detailed studies of bridges, to prepare the procurement of their construction with other financing.							

Indicator Name	PBC	Baseline	Intermediate Targets					End Target
			1	2	3	4	5	
Intermediate Indicator 3 (Action: This Component has been Revised)								
Jetties/wharves tendered. (Number)		0.00	2.00	3.00	5.00	6.00	6.00	6.00
Action: This indicator has been Marked for Deletion	Rationale: No more financing of rural jetties construction further to shift in Government's priority to finance road works, first.							
Jetties/ wharves redesigned (Number)		0.00	0.00	0.00	0.00	3.00	3.00	3.00
Action: This indicator is New	Rationale: Detailed studies of rural jetties / wharves to be completed for their readiness to procure the relevant works under other financing.							
Intermediate Indicator 4 (Action: This Component has been Revised)								

Indicator Name	PBC	Baseline	Intermediate Targets					End Target
			1	2	3	4	5	
Street lights reinstated and/or installed new. (Number)		0.00	381.00	381.00	420.00	450.00	450.00	450.00
Action: This indicator has been Revised	Rationale: Decrease in end targets indicator as GoF already financed with its own budget more than 5,000 streetlights.							
Intermediate Indicator 5 (Action: This Component has been Revised)								
Community assets constructed that benefit women. (Number)		0.00	381.00	381.00	420.00	500.00	500.00	500.00
Action: This indicator has been Revised	Rationale: Increase end target number.							
Intermediate Indicator 6 (Action: This Component has been Revised)								

Indicator Name	PBC	Baseline	Intermediate Targets					End Target
			1	2	3	4	5	
Project designs consider gender issues (Percentage)		0.00	100.00	100.00	100.00	100.00	100.00	100.00
Intermediate Indicator 7 (Action: This Component is New)								
Beneficiaries aware of the Grievance Redress Mechanism (GRM) satisfied with its functioning (Percentage)		0.00	0.00	0.00	60.00	70.00	85.00	85.00
Action: This indicator is New	<p>Rationale: Introduction of a new Citizen Engagement indicator.</p>							